

This record is a partial extract of the original cable. The full text of the original cable is not available.

291226Z Mar 04

UNCLAS HARARE 000535

SIPDIS

SENSITIVE

STATE FOR AF/S
NSC FOR SENIOR AFRICA DIRECTOR JFRAZER
USDOC FOR AMANDA HILLIGAS
TREASURY FOR OREN WYCHE-SHAW
PASS USTR FLORIZELLE LISER
STATE PASS USAID FOR MARJORIE COPSON
AF/EPS FOR DAVID KRZYWDA
DOL FOR ROBERT YOUNG

1E. O. 12958: N/A
TAGS: ETRD ECON ELAB PGOV ZI
SUBJECT: Getting AGOA on Zimbabwe's Radar

11. (SBU) Summary: Recent attempts to arouse local interest in the Africa Growth and Opportunity Act (AGOA) have met with mixed, but mostly positive, results. Post-sponsored AGOA workshops in Harare and Bulawayo drew seventy local firms, five Industry/Trade Ministry officials and the Managing Director of the GOZ's Export Credit Guarantee Corporation. This was Post's first orchestrated effort to show local government and industry what they are missing out on by Zimbabwe's failure to qualify for AGOA. End summary.

Avid Local Interest in AGOA

12. (SBU) Post teamed with ZimTrade, the GOZ's export promotion body, to host AGOA seminars in Zimbabwe's two largest cities on March 23-24. At the recommendation of the Amembassy Pretoria tradeoff, we invited Jack Kipling, RSA Clothing Export Council Chairman. He spoke glowingly of AGOA as the "wind beneath the wings" of the RSA apparel sector, impressing upon Zimbabwean audiences how the Act had transformed his country's approach to trade. Reps of the seventy firms who attended the sessions repeatedly asked GOZ officials present why they were not doing more to bring Zimbabwe into AGOA. It was an awkward position for these GOZ bureaucrats, who asserted that only politicians make these decisions, or that the GOZ's new monetary policy was now improving the country's prospects of qualifying for AGOA. In fact, ZimTrade reps told us several GOZ hardliners had pressured them to call off the seminars. The GOZ propaganda mill's spin was that Zimbabwe now nearly qualified for AGOA (fabricating a quote by Embassy econoff), but more constructively, that the trade act could be something good for the country.

Comment

13. (SBU) Given that Zimbabwe falls woefully short of AGOA's qualifying criteria, Post pondered carefully whether to arrange these events. It marked the first time we have trumpeted AGOA's attributes here in such a visible manner, and it carried certain risks. In the end, we decided it was better to walk the fine line and try to help Zimbabweans appreciate what they are missing out on - without resorting to Schadenfreude. We also did not want Zimbabweans to view their country's exclusion as a broad trade sanction against its population or business community, so we spelled out the advantages of Zimbabwe's existing Generalized System of Preferences privileges in the seminars. Thankfully, our worst apprehensions - that the contentious official media would belittle AGOA as imperial conquest, as it sometimes does to the New Partnership for Africa's Development (NEPAD) - were not borne out. It seemed the very visible participation of GOZ officials helped insulate us to some extent. Further, their enthusiastic participation enabled us to drive a wedge between GOZ hardliners and moderates. Given AGOA's upbeat reception in this first "trial balloon," we will look for other inventive ways to plug the trade act. We also encourage U.S.-based officials to hold out AGOA as a potential carrot in public pronouncements about Zimbabwe.

Sullivan